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PART II — Section 2

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bill was introduced in Lok Sabha on 28 November, 2011:—

BILL NO. 99 OF 2011

A Bill further to amend the Cable Television Networks (Regulation) Act, 1995.

BE it enacted by Parliament in the Sixty-second Year of the Republic of India as follows:—

1. (1) This Act may be called the Cable Television Networks (Regulation) Amendment Act, 2011.

Short title and
commence-
ment.

(2) It shall be deemed to have come into force on the 25th day of October, 2011.

7 of 1995.

2. In section 2 of the Cable Television Networks (Regulation) Act, 1995 (hereinafter referred to as the principal Act),—

Amendment
of section 2.

(A) for clause (aa), the following clauses shall be substituted, namely:—

‘(ai) “Authority” means the Telecom Regulatory Authority of India established under sub-section (1) of section 3 of the Telecom Regulatory Authority of India Act, 1997;

24 of 1997.

(*aii*) "Broadcaster" means a person or a group of persons, or body corporate, or any organisation or body providing programming services and includes his or its authorised distribution agencies;

(*aiii*) "cable operator" means any person who provides cable service through a cable television network or otherwise controls or is responsible for the management and operation of a cable television network and fulfils the prescribed eligibility criteria and conditions;';

(*B*) in clause (*e*), for sub-clause (*iii*), the following sub-clause shall be substituted, namely:—

"(*iii*) a company as defined in section 3 of the Companies Act, 1956;";

1 of 1956.

(*C*) after clause (*e*), the following clause shall be inserted, namely:—

"(*ei*) "post" means a post and includes a pole, tower, standard, stay, strut, cabinet, pillar or any above ground contrivance for carrying, suspending or supporting any network infrastructure facility;";

(*D*) in clause (*g*), in sub-clause (*i*), the words "through video cassette recorders or video cassette players" shall be omitted;

(*E*) after clause (*g*), the following clause shall be inserted, namely:—

'(*gi*) "public authority" means any authority, body or institution of local self-government constituted or established by or under—

(*i*) the Constitution of India;

(*ii*) any law made by Parliament;

(*iii*) any law made by a State Legislature;

(*iv*) any notification issued or order made by the appropriate Government,

and includes any—

(*v*) body owned, controlled or substantially financed; or

(*vi*) non-governmental organisation substantially financed,

directly or indirectly by funds provided by the appropriate Government;";

(*F*) in clause (*h*), after the words "under this Act", the following shall be inserted, namely:—

"within such local limits of jurisdiction as may be determined by that Government;";

(*G*) in clause (*i*),—

(*a*) for the words "a person", the words "any individual, or association of individuals, or a company, or any other organisation or body" shall be substituted;

(*b*) for the words "indicated by him", the words "indicated by him or it" shall be substituted.

Amendment
of section 3.

3. In section 3 of the principal Act, the proviso shall be omitted.

Substitution of
new section
for section 4.

4. For section 4 of the principal Act, the following section shall be substituted, namely:—

Registration as
cable operator.

"4. (*1*) Any person who is desirous of operating or is operating a cable television network may apply for registration or renewal of registration, as a cable operator to the registering authority.

(2) The cable operator shall fulfil such eligibility criteria and conditions as may be prescribed and different eligibility criteria may be prescribed for different categories of cable operators.

(3) On and from the date of issue of notification under section 4A, no new registration in a State, city, town or area notified under that section shall be granted to any cable operator who does not undertake to transmit or retransmit channels in an encrypted form through a digital addressable system.

(4) An application under sub-section (1) shall be made in such form and be accompanied by such documents and fees as may be prescribed.

(5) On receipt of the application, the registering authority shall satisfy itself that the applicant has furnished all the required information prescribed under sub-section (4) and on being so satisfied, register the applicant as a cable operator and grant him a certificate of registration or renew its registration, as the case may be, subject to such terms and conditions as may be prescribed under sub-section (6):

Provided that the registering authority may, if it is satisfied that the applicant does not fulfil the eligibility criteria and conditions prescribed under sub-section (2) or the application is not accompanied by necessary documents or fees as prescribed under sub-section (4), and for reasons to be recorded in writing, by order, refuse to grant its registration or renewal, as the case may be, and communicate the same to the applicant:

Provided further that the applicant may prefer an appeal against the order of the registering authority refusing grant or renewal of registration to the Central Government.

(6) Without prejudice to the compliance of eligibility criteria for registration of cable operators, the Central Government may prescribe, having regard to the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality, foreign relation or contempt of court, defamation or incitement to an offence, such terms and conditions of registration including additional criteria or conditions to be fulfilled by the cable operator.

(7) The Central Government may suspend or revoke the registration granted under sub-section (5) if the cable operator violates one or more of the terms and conditions of such registration:

Provided that no such order of suspension or revocation shall be made without giving a reasonable opportunity of being heard to the cable operator.”

5. For section 4A of the principal Act, the following sections shall be substituted, namely:—

Substitution
of new
sections for
section 4A.

‘4A. (1) Where the Central Government is satisfied that it is necessary in the public interest so to do, it may, by notification in the Official Gazette, make it obligatory for every cable operator to transmit or re-transmit programmes of any channel in an encrypted form through a digital addressable system with effect from such date as may be specified in the notification and different dates may be specified for different States, cities, towns or areas, as the case may be:

Transmission
of
programmes
through
digital
addressable
systems, etc.

Provided that the date specified in the notification shall not be earlier than six months from the date of issue of such notification to enable the cable operators in different States, cities, towns or areas to install the equipment required for the purposes of this sub-section.

(2) The Central Government may prescribe appropriate measures and take such steps as it may consider necessary for implementation of the notification issued under sub-section (1).

(3) If the Central Government is satisfied that it is necessary in the public interest so to do, and if not otherwise specified by the Authority, it may direct the Authority to specify, by notification in the Official Gazette, one or more free-to-air channels to be included in the package of channels forming basic service tier and any one or more such channels may be specified, in the notification, *genre-wise* for providing a programme mix of entertainment, information, education and such other programmes and fix the tariff for basic service tier which shall be offered by the cable operators to the consumers and the consumer shall have the option to subscribe to any such tier:

Provided that the cable operator shall also offer the channels in the basic service tier on a *la carte* basis to the subscriber at a tariff specified under this sub-section.

(4) The Central Government or the Authority may specify in the notification referred to in sub-section (3), the number of free-to-air channels to be included in the package of channels forming basic service tier for the purposes of that sub-section and different numbers may be specified for different States, cities, towns or areas, as the case may be.

(5) It shall be obligatory for every cable operator to publicise the prescribed information including but not limited to subscription rates, standards of quality of service and mechanism for redressal of subscribers' grievances in such manner and at such periodic intervals as may be specified by the Central Government or the Authority for the benefit of the subscriber.

(6) The cable operator shall not require any subscriber to have a receiver set of a particular type to receive signals of cable television network:

Provided that the subscriber shall use a digital addressable system to be attached to his receiver set for receiving programmes transmitted on any channel.

(7) Every cable operator shall provide such information relating to its cable services and networks in such format and at such periodic intervals to the Central Government or the State Governments or the Authority or their authorised representatives as may be specified by them from time to time.

(8) All actions taken by the Central Government or the Authority in pursuance of the provisions of this section as they stood immediately before the 25th day of October, 2011 shall continue to remain in force till such actions are modified as per the provisions of this Act.

Explanation.—For the purposes of this section,—

(a) “addressable system” means an electronic device (which includes hardware and its associated software) or more than one electronic device put in an integrated system through which signals of cable television network can be sent in encrypted form, which can be decoded by the device or devices, having an activated Conditional Access System at the premises of the subscriber within the limits of authorisation made, through the Conditional Access System and the subscriber management system, on the explicit choice and request of such subscriber, by the cable operator to the subscriber;

(b) “basic service tier” means a package of free-to-air channels to be offered by a cable operator to a subscriber with an option to subscribe, for a single price to subscribers of the area in which his cable television network is providing service;

(c) "encrypted", in respect of a signal of cable television network, means the changing of such signal in a systematic way so that the signal would be unintelligible without use of an addressable system and the expression "unencrypted" shall be construed accordingly;

(d) "free-to-air channel", in respect of a cable television network, means a channel for which no subscription fee is to be paid by the cable operator to the broadcaster for its retransmission on cable;

(e) "pay channel", in respect of a cable television network, means a channel for which subscription fees is to be paid to the broadcaster by the cable operator and due authorisation needs to be taken from the broadcaster for its retransmission on cable;

(f) "subscriber management system" means a system or device which stores the subscriber records and details with respect to name, address and other information regarding the hardware being utilised by the subscriber, channels or bouquets of channels subscribed to by the subscriber, price of such channels or bouquets of channels as defined in the system, the activation or deactivation dates and time for any channel or bouquets of channels, a log of all actions performed on a subscriber's record, invoices raised on each subscriber and the amounts paid or discount allowed to the subscriber for each billing period.

4B. (1) Subject to the provisions of this Act, any cable operator entitled for providing cable services may, from time to time, lay and establish cables and erect posts under, over, along, across, in or upon any immovable property vested in or under the control or management of a public authority.

Right of way for cable operators and permission by public authority.

(2) Any public authority under whose control or management any immovable property is vested may, on receipt of a request from a cable operator permit the cable operator to do all or any of the following acts, namely:—

(a) to place and maintain underground cables or posts; and

(b) to enter on the property, from time to time, in order to place, examine, repair, alter or remove such cables or posts.

(3) The facility of right of way under this section for laying underground cables, and erecting posts, shall be available to all cable operators subject to the obligation of reinstatement or restoration of the property or payment of reinstatement or restoration charges in respect thereof at the option of the public authority.

(4) When a public authority in public interest considers it necessary and expedient that the underground cable or post placed by any cable operator under the provisions of this section should be removed or shifted or its position altered, it may require the cable operator to remove it or shift it or alter its position, as the case may be, at its own cost in the time frame indicated by the public authority.

(5) The Central Government may lay down appropriate guidelines to enable the State Governments to put in place an appropriate mechanism for speedy clearance of requests from cable operators for laying cables or erecting posts on any property vested in, or under the control or management of, any public authority and for settlement of disputes, including refusal of permission by the public authority.

(6) Any permission granted by a public authority under this section may be given subject to such reasonable conditions as that public authority thinks fit to impose as to the payment of any expenses, or time or mode of execution of any work, or as to any other matter connected with or related to any work undertaken by the cable operator in exercise of those rights.

(7) Nothing in this section shall confer any right upon any cable operator other than that of user for the purpose only of laying underground cable or erecting posts or maintaining them.

Substitution of new section for section 8.

6. For section 8 of the principal Act, the following section shall be substituted, namely:—

Compulsory transmission of certain channels.

“8. (1) The Central Government may, by notification in the Official Gazette, specify the names of Doordarshan channels or the channels operated by or on behalf of Parliament, to be mandatorily carried by the cable operators in their cable service and the manner of reception and retransmission of such channels:

Provided that in areas where digital addressable system has not been introduced in accordance with the provisions of sub-section (1) of section 4A, the notification as regards the prime band is concerned shall be limited to the carriage of two Doordarshan terrestrial channels and one regional language channel of the State in which the network of the cable operator is located.

(2) The channels referred to in sub-section (1) shall be retransmitted without any deletion or alteration of any programme transmitted on such channels.

(3) Notwithstanding the provisions of sub-section (1), any notification issued by the Central Government or the Prasar Bharti (Broadcasting Corporation of India) in pursuance of the provisions of sub-section (1), prior to the 25th day of October, 2011 shall continue to remain in force till such notifications are rescinded or amended, as the case may be.”

Amendment of section 9.

7. In section 9 of the principal Act,—

(a) for the word “equipment”, at both the places where it occurs, the words “equipment or digital addressable system” shall be substituted;

(b) the proviso shall be omitted.

Amendment of section 10.

8. In section 10 of the principal Act, after the words “authorised telecommunication systems”, the words “and is in conformity with such standards relating to interference as may be prescribed by the Central Government” shall be inserted.

Insertion of new section 10A.

9. After section 10 of the principal Act, the following section shall be inserted, namely:—

Inspection of cable network and services.

“10A. (1) Without prejudice to the provisions contained in the Indian Telegraph Act, 1885 or any other law for the time being in force, the Central Government or its officers authorised by it or authorised agency shall have the right to inspect the cable network and services.

13 of 1885.

(2) No prior permission or intimation shall be required to exercise the right of the Central Government or its authorised representatives to carry out such inspection.

(3) The inspection shall ordinarily be carried out after giving reasonable notice except in circumstances where giving of such a notice shall defeat the purpose of the inspection.

(4) On being so directed by the Central Government or its authorised officers or agency so authorised by it, the cable operator shall provide the necessary equipment, services and facilities at designated place or places for lawful interception or continuous monitoring of the cable service at its own cost by or under the supervision of the Central Government or its officers or agency so authorised by it.”

10. For section 11 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 11.

“11. If any authorised officer has reason to believe that the provisions of section 3, section 4A, section 5, section 6, section 8, section 9 or section 10 have been or are being contravened by any cable operator, he may seize the equipment being used by such cable operator for operating the cable television network:

Power to seize equipment used for operating cable television network.

Provided that the seizure of equipment in case of contravention of sections 5 and 6 shall be limited to the programming service provided on the channel generated at the level of the cable operator.”.

68 of 1986.

11. In section 21 of the principal Act, for the words and figures “and the Consumer Protection Act, 1986” the following shall be substituted, namely:—

Amendment of section 21.

68 of 1986.
24 of 1997.

“the Consumer Protection Act, 1986 and the Telecom Regulatory Authority of India Act, 1997”.

12. In section 22 of the principal Act, in sub-section (2),—

Amendment of section 22.

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) the eligibility criteria for different categories of cable operators under sub-section (2) of section 4;”;

(ii) for clause (aa), the following clause shall be substituted, namely:—

“(aa) the form of application, documents to be accompanied and the fees payable under sub-section (4) of section 4;”;

(iii) for clause (aaa), the following clause shall be substituted, namely:—

“(aaa) the terms and conditions of registration under sub-section (6) of section 4;”;

(iv) after clause (aaa), the following clause shall be inserted, namely:—

“(aaaa) the appropriate measures under sub-section (2) of section 4A for implementation of the notification under sub-section (1) of that section;”;

(v) after clause (d), the following clause shall be inserted, namely:—

“(da) the specifications of interference standards for interfering with any telecommunication system under section 10;”.

Ord. 3 of 2011.

13. (1) The Cable Television Networks (Regulation) Amendment Ordinance, 2011 is hereby repealed.

Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

The Cable Television Networks (Regulation) Act, 1995 was enacted for the purpose of regulating the operations of cable television networks in the country so as to bring uniformity in their operations, avoid undesirable programmes from being made available to the viewers as well as to enable the optimal exploitation of the technology which had the potential of making available to the subscribers a vast pool of information and entertainment.

2. The Telecom Regulatory Authority of India (TRAI), in its recommendations dated the 5th August, 2010 on "Implementation of Digital Addressable Cable Systems in India" had, *inter alia*, recommended that "digitalization with addressability be implemented on priority in cable TV services in Non-CAS areas" and, accordingly, recommended a time-frame comprising four phases for switch over from analog system to the digital addressable system (DAS) in the cable TV sector. In view of the above-mentioned recommendations of the TRAI, the Central Government decided to introduce digitalization with addressability in the cable TV services in a phased time bound manner on a pan India basis, leading to complete switch off of analog TV services by the 31st December, 2014.

3. For the implementation of DAS, certain amendments were required to be made in the aforesaid Act mandating all cable operators to provide programmes of all channels, including free-to-air (FTA) channels, in an encrypted form through DAS in a phased manner at specified areas from specified dates to be notified by the Central Government. It is also mandatory that any such notification should give at least six months time to the cable operators for being able to instal the necessary digital equipments for migration and educate the subscribers in this area. In order to protect the interest of consumers, it has been proposed to empower TRAI to specify a package of free-to-air channels, called basic service tier, which shall be offered by every cable operator to the consumers. It is also necessary that every cable operator should offer channels in the basic service tier on *a la carte* (individual) basis to consumers at a tariff fixed by TRAI.

4. It has also been considered necessary to carry out certain amendments in the Act for rectifying certain deficiencies noticed during the operation of the Act for the last fifteen years. These, *inter alia*, include systemization of registration of cable operators, providing right of way to cable operators and permission by public authorities, compulsory transmission of certain channels, inspection of cable network services, prescription of interference standards by the Central Government and empowering the TRAI to specify basic service tier and its tariff.

5. As Parliament was not in session, and immediate steps were required to notify the sunset dates for analog cable TV services urgently, it became necessary to amend the Cable Television Networks (Regulation) Act, 1995 by way of promulgation of an Ordinance. Accordingly, the President was pleased to promulgate the Cable Television Networks (Regulation) Amendment Ordinance, 2011 on the 25th day of October, 2011.

6. The Bill seeks to replace the aforesaid Ordinance.

AMBIKA SONI.

NEW DELHI;
The 21st November, 2011.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 2 of the Bill seeks to amend section 2 of the Cable Television Networks (Regulation) Act, 1995 relating to the definitions. Sub-clause (a) of the said clause, *inter alia*, defines "cable operator" and the cable operator is required to fulfil certain eligibility criteria and conditions as may be prescribed by the Central Government by rules.

Clause 4 of the Bill seeks to substitute section 4 of the aforesaid Act by a new section 4 relating to registration of any person as a cable operator. Sub-section (2) of the proposed new section seeks to empower the Central Government to prescribe the eligibility criteria and conditions in respect of different categories of cable operators for being eligible to be registered as such. Sub-section (4) of the said new section empowers the Central Government to make rules to lay down the form of application for registration of a cable operator and the documents and fees which shall accompany such application. Sub-section (6) of the said new section 4 empowers the Central Government to lay down, by rules, additional criteria or conditions required for being eligible for registration as a cable operator.

Clause 5 of the Bill seeks to substitute section 4A by two new sections, namely, sections 4A and 4B. The proposed new section 4A deals with transmission of programmes through digital addressable systems, etc. Sub-section (2) of the proposed new section 4A empowers the Central Government to lay down, by rules, the appropriate measures and steps which may be considered necessary for the implementation by a notification specifying obligatory transmission or re-transmission of programmes of any channel in an encrypted form through digital addressable system with effect from such date or dates as may be notified in respect of different States, cities, towns or areas.

Clause 8 of the Bill seeks to amend section 10 of the Act relating to non-interference of cable television networks with any telecommunication systems. The said clause empowers the Central Government to lay down the standards relating to interference of cable television networks with regard to telecommunication system.

Clause 12 of the Bill seeks to amend section 22 of the Act relating to the power of the Central Government to make rules. The said clause enumerates the various matters in respect of which rules may be made by the Central Government.

The matters in respect of which rules may be made by the Central Government under the aforesaid provisions are matters of administrative detail or procedure. Every rule made under the Act is required to be laid before each House of Parliament in accordance with the provisions of sub-section (3) of section 22 of the Act. The delegation of legislative power is, therefore, of a normal character.

*Memorandum explaining the modifications contained in the Bill to replace the
Cable Television Networks (Regulation) Amendment Ordinance, 2011*

The Cable Television Networks (Regulation) Amendment Bill, 2011, which seeks to repeal and replace the Cable Television Networks (Regulation) Amendment Ordinance, 2011 contains the following modifications, apart from certain minor modifications of a drafting or consequential nature in the provisions of the said Ordinance, namely:—

(1) The word “Ordinance” referring to the legislation in the aforesaid Ordinance has been replaced by the word “Act” in the text of clause 1 and certain other places of the Bill as required for the conversion of the Ordinance into an Act of Parliament.

(2) The references to the “commencement of the Cable Television Networks (Regulation) Amendment Ordinance, 2011” in sub-section (8) of the proposed new section 4A and sub-section (3) of proposed new section 8 in the Act inserted *vide* section 5 and section 6 respectively of the Ordinance are proposed to be substituted by the figures, letters and words “25th day of October, 2011”, *i.e.*, the date of promulgation of the Ordinance.

(3) Clause 13 of the Bill is a new provision dealing with repeal of the aforesaid Ordinance and saving of any action taken or anything done thereunder.

T.K. VISWANATHAN,
Secretary-General.